

FEATURES	TRADITIONAL LONG TERM CARE INSURANCE POLICIES (LTC)	INDIANA LONG TERM CARE PARTNERSHIP PROGRAM POLICIES (ILTCIP)
<b>Agent Training</b>	Agents must have (a) a health insurance license; (b) 8 hours of continuing education (C.E.) in LTC to begin selling LTC insurance; (c) 5 additional hours of C.E. in LTC every 2 years.	Agents must meet all of the requirements for selling traditional LTC policies <b>PLUS</b> must complete a one time only 7-hour C.E. course on the ILTCIP before ever selling or talking about these policies.
<b>Asset Protection</b>	These policies do <i>not</i> provide the Medicaid asset protection benefit.	Policies provide permanent asset protection through the <i>State-added</i> benefit known as “Medicaid Asset Protection.”
<b>Benefit Triggers</b>	The <i>company</i> decides which benefit triggers (what has to occur before the policy starts paying benefits) to use and how to define the terms within the triggers.	The <i>State</i> determines which benefit triggers that all participating companies must use and how to define the terms within the triggers.
<b>Daily Benefits</b>	Can buy any amount of daily benefit the insurance company chooses to offer.	Can buy any amount of daily benefit the insurance company offers. A company must offer a minimum daily benefit of \$100/day ( <i>state-determined for 2005</i> ).
<b>Inflation Protection</b>	Inflation protection must be OFFERED.	Inflation protection must be INCLUDED. (Companies are using 5% compounded interest annually.)
<b>Maximum Benefits</b>	<i>Company</i> decides how the maximum benefit will be offered—in days, in dollars, one pool of money for all benefits, or separate maximum benefits for nursing home and home health care. Can buy any amount of maximum benefits the company offers.	<i>State</i> decided that maximum benefit would be one pool of money for all benefits available in the policy. Can buy any amount of maximum benefits the company offers. However, the company must offer the option of purchasing a maximum benefit equal to one year of nursing home coverage.

<b>Portability</b>	The policy will pay benefits in any state.	The policy will pay insurance benefits in any state. However, the State-added benefit of Medicaid Asset Protection can only be honored by Indiana's Medicaid program*. This means the person must be in Indiana when applying for and while receiving Indiana Medicaid assistance. (*Due to a reciprocal agreement between IN and CT, Connecticut's Medicaid program can also honor the asset protection earned in a Partnership policy. Asset protection honored under a reciprocal agreement is on a dollar-for-dollar basis only.)
<b>Tax Deductions for Premiums</b>	*Tax-Qualified policies are available for federal tax deduction. There is NO state tax deduction for traditional LTC policies.	*Tax-Qualified policies are available for federal tax deduction. Premiums paid for an ILTCIP policy qualify for an Indiana state tax deduction.
<b>Types of Policies</b>	Can buy policies covering: (a) nursing home care only (b) nursing home & home health care (c) home health care only (d) life insurance that will pay a portion of the death benefit early for LTC.	Can buy policies covering: (a) nursing home care only (b) nursing home and home health care  All participating companies must offer policy type (b).

**\*Tax-Qualified LTC Policies:** Premiums (up to certain limits) may be deducted on a federal tax return AS PART OF the standard medical expense deduction. The benefits received from (federally) Tax-Qualified LTC policies will *not* be considered taxable income. Federal law requires Tax-Qualified policies to offer the option of purchasing a non-forfeiture benefit (a guarantee of some amount of benefit should the policyholder cancel the policy after owning it for a minimum number of years). This law also provides some guidance to the companies in determining the benefit triggers to use in their policies. "Medical Necessity" cannot be used as a benefit trigger in Tax-Qualified policies.

**Note: Indiana Law and Insurance Regulation** require ALL types of long term care insurance policies in Indiana to offer a 30-day free look, prohibit the requirement of prior hospitalization in order to receive benefits in policies sold after July 1991, prohibit waiting periods of longer than 6 months for pre-existing conditions, and require policies to be either guaranteed renewable or noncancellable.